



CLIENT SERVICE AGREEMENT
FOR
BACKGROUND SCREENING
AND DRUG TESTING SERVICES

THIS CLIENT SERVICE AGREEMENT (“Agreement”) is made this ____ day of _____, 20____,
(the “Effective Date”) by and between:

AAIM Training & Consulting LLC

1600 South Brentwood Boulevard, Suite 400

St. Louis, Missouri, 63144

&

(hereinafter referred to as “AAIM”)

(hereinafter referred to as “Client”)

WHEREAS, AAIM operates AAIMCheck (the “Service”), a service used to compile and/or produce consumer reports for clients which may include information about a consumer’s (also referred to as an employee or an applicant for employment) dates of previous employment, salary, licensure, accidents, work experience, along with reasons for termination of past employment, credit (except California), workers’ compensation claims, driving records, criminal records, education, military records (DD214), judgments, bankruptcy proceedings, references, etc., from federal, state, county and other agencies that may be public or private agencies that maintain such records for employment purposes. AAIM also compiles and produces “investigative consumer reports,” as defined by the federal Fair Credit Reporting Act (FCRA), which may contain information obtained through personal interviews with neighbors, friends, former employers, or past or current associates of the consumer to gather information regarding the consumer’s work performance, character, general reputation, mode of living, and personal characteristics may be obtained for employment purposes and will be used for no other purpose. In addition, AAIM offers drug testing services that are collected from the consumer and will only be obtained for employment purposes.

WHEREAS, AAIM operates as a consumer reporting agency (as defined by the federal Fair Credit Reporting Act, 15 U.S.C. 1681 et seq.) and will adhere to applicable laws set forth in the preparation and transmission of the reports for employment purposes and will be used for no other purpose.

WHEREAS, AAIM agrees to follow proper protocol as set forth by the FCRA, which is governed by the Consumer Financial Protection Bureau, and by AAIM’s own internal policies, in order to ensure reasonable accuracy of consumer reports. If requested by the Client or the consumer, AAIM will re-verify, at no additional charge to either party, the consumer’s report that contains discrepancies provided to the Client.

WHEREAS, AAIM agrees to follow proper protocol in regards to employment drug testing services, including but not limited to the Department of Health and Human Services (HHS), Department of Transportation (“DOT”), Nuclear Regulatory Commission (“NRC”) guidelines and any applicable federal, state and local laws.

NOW, THEREFORE, in consideration of the promises and mutual covenants contained in this Agreement, the Parties agree as follows:

1. CONFIDENTIALITY.

- 1.1. Client agrees to keep all reports, whether oral or written, strictly confidential, and, except as required under 15 USC-1681d or any other legal process, shall not divulge the information to any other person other than a person whose duty requires him or her to participate in the decision for which the report was ordered.
- 1.2. Client agrees that only Authorized Users can order or have access to consumer information provided by AAIM. Client may, in writing, authorize additional users on Client's account who can access the secure on-line system or who can access consumer information on behalf of Client via telephone.
- 1.3. The client understands the sensitive nature of consumer reports, the need to protect the information contained in the reports, and the consumer report retention and destruction practices outlined by the FCRA and DPPA. AAIM and the client agree to:
 - 1.3.1. Limit dissemination of consumer information only to those with a legitimate need to know, those that have a permissible purpose, and those who are authorized by the Consumer;
 - 1.3.2. Retain Consumer data in a confidential manner;
 - 1.3.3. Destroy data in a secure manner to make it inaccessible, unreadable, and/or unrecoverable; and
 - 1.3.4. Protect the privacy of Consumer information contained in motor vehicle records and access DMV records only with written consent of the consumer.

2. QUALIFIED CLIENT.

- 2.1. Client will only be given access to Consumer information once the following criteria has been verified:
 - 2.1.1. Address
 - 2.1.2. Main telephone number
 - 2.1.3. Copy of business license or organization paper received with "filed" stamped by appropriate government agency
 - 2.1.4. Business reference (if applicable)
 - 2.1.5. The client has signed the client service agreement by an authorized representative
 - 2.1.6. On-Site Visual Inspection Method (if applicable) - *On-Site visual inspection of client's premises is to insure the client is a valid business and it has a true business identity*

3. USER NAMES.

- 3.1. Client agrees to create unique and separate username(s) and password(s), for each person accessing the AAIMCheck website.
- 3.2. Client will not, under any circumstance, share log in username(s) or password(s) with anyone other than the person who has been assigned that information.

4. PURPOSE & RELEASE.

- 4.1. Client agrees to obtain and retain a proper signed Release and Authorization and Disclosure [See **Attachment A** for a sample disclosure and release form] from each consumer for as long as the consumer is employed with the client. This Release and Authorization shall remain on file and

provided upon request of AAIM either to complete the requested verification or as part of an audit.

- 4.2. Client agrees to provide the Consumer a clear and conspicuous disclosure in writing notifying the Consumer that a consumer report may be obtained for employment purposes.
- 4.3. Client understands it must have a permissible purpose for ordering information and further agrees to comply with disclosure and authorization requirements to the Consumer as required by the FCRA.
- 4.4. Client agrees not to request any information beyond information used to verify suitability of a Consumer for employment.

5. **LEGAL RESPONSIBILITIES.**

- 5.1. Client understands it must have a permissible purpose for ordering information and further agrees to comply with disclosure and authorization requirements to the Consumer as required by the FCRA.
- 5.2. Client understands and agrees to comply with adverse action procedures required by the FCRA.
- 5.3. Client understands the confidential nature of the information being requested and will keep it confidential.
- 5.4. Client will comply with all laws and regulations and will not use consumer information in violation of any state or federal law, including Equal Opportunity laws.
- 5.5. AAIM has advised Client that use of consumer reports must conform to certain legal requirements and that Client should consult with its legal counsel regarding its specific legal responsibilities.
- 5.6. Client understands AAIM is not rendering a decision of whether to employ an applicant or not and that such decision is solely that of the Client.

6. **MOTOR VEHICLE REPORTS aka INSTANT DRIVING RECORDS.** Client certifies and warrants that it will comply with the Driver's Privacy Protection Act (DPPA) [See **Attachment B** for a copy of the DPPA] and the FCRA and all other applicable state or federal laws when requesting a Consumer's driving record.

7. **DRUG TESTING.** Client acknowledges and agrees drug testing services that may be produced and/or compiled for under this Agreement shall be for the Client's employment drug testing services only and shall not include any clinical laboratory testing services which are specifically excluded from this Agreement. Drug testing services shall be provided under, but not limited to, the Department of Health and Human Services (HHS), Department of Transportation ("DOT"), Nuclear Regulatory Commission ("NRC") guidelines and any applicable federal, state and local laws. AAIM advises Client to set forth policies and procedures with regards to employment drug testing services.

8. **ADVERSE ACTION PROCEDURES.**

- 8.1. Client understands there are legal requirements and responsibilities when taking adverse action based in whole or in part on consumer and/or investigative consumer report(s).
- 8.2. Client understands and agrees to comply with adverse action procedures required by the FCRA which include:
 - 8.2.1. Providing a pre-adverse action notice to Consumers [See **Attachment C** for a sample preliminary notice], along with a copy of the consumer report, "A Summary of Your Rights Under the Fair Credit Reporting Act" [See **Attachment D** for a copy of the

consumer's rights under the FCRA], and the Credit Reporting Agency ("CRA") contact information; then

8.2.2. Allowing the consumer a designated period of time to contact the CRA if the consumer wishes to dispute any information in the consumer report. (AAIM recommends at least 5 business days to let the consumer respond to the "negative" report(s))

8.2.3. After the designated period of time has lapsed, Client can then make the decision to take an adverse employment action against the Consumer. At this point, Client must provide the following information to the consumer:

8.2.3.1. An Adverse Action Notice, whether it be employment denial or withdrawal of offer [See **Attachments E and F** for sample adverse action notices],

8.2.3.2. The CRA contact information, including name, address, telephone number and a toll-free telephone number,

8.2.3.3. A statement to the consumer that they may obtain a free copy of the report,

8.2.3.4. A statement to the consumer that they may dispute the accuracy or completeness of the information with the CRA and

8.2.3.5. A statement that the CRA did not make the decision to take adverse action and is unable to provide the consumer the specific reasons why the action was taken.

8.3. AAIM advises Client that it has specific legal obligations and responsibilities regarding taking adverse action against a Consumer based on a consumer report and that Client should consult their legal counsel regarding specific legal responsibilities.

8.4. Upon written or verbal request made by the Consumer to AAIM or to Client, within a reasonable period of time, Client shall make a complete and accurate disclosure of the nature and scope of the investigation performed. This disclosure shall be made in writing, mailed, electronically mailed, or otherwise delivered, to the Consumer not later than five days after the date on which the request for such disclosure was received from the Consumer.

9. **LAWS AND REGULATIONS.** Client understands that AAIM adheres to the laws set forth by local, state, and federal governments and the FCRA; and under no circumstances will any deviation from the FCRA, local, state or federal laws be approved or accepted.

10. **LEGAL COUNSEL.** Client understands AAIM is not legal counsel and cannot provide legal advice. Client should work with counsel to develop an employment screening program specific to its needs. It is necessary for Client to work with counsel to ensure Client's policies and procedures related to the use of CRA-provided information is in compliance with applicable federal state and local laws.

11. **INDEMNIFICATION BY CLIENT.**

11.1. Client recognizes that information contained in reports is obtained from various third party sources and AAIM cannot ensure or guarantee the accuracy of the information obtained and Client releases and holds harmless AAIM and its affiliates, officers, agents, employee, and contractors from any liability for claims arising out of inaccurate or incomplete information reported.

11.2. Client agrees to indemnify, defend and hold harmless AAIM and its affiliates, officers, agents, employee, and contractors from and against any and all liabilities, claims, losses, demands, actions, causes of action, damages, expenses (including, without limitation, attorney's fees and costs of litigation), or liability, arising from or in any manner related to any allegation, claim,

demand or suit, whether or not meritorious, brought or asserted by any party in any way arising out of or resulting from (a) any actual or alleged negligence or intentional misconduct of Client, whether or not any negligence of AAIM is alleged to have been contributory thereto, (b) the failure of Client to duly and fully perform its obligation under this Agreement, or (c) the failure of Client to comply with applicable laws or regulations.

12. PAYMENT AND CHARGES.

- 12.1. Client is responsible for the accuracy of information it inputs directly into the AAIMCheck website. Upon notice and for an additional fee, AAIM will conduct additional research in an effort to correct any incorrect consumer information.
- 12.2. AAIM will provide Client with a schedule of the charges for its reports and services.
- 12.3. AAIM will give reasonable prior notice (not less than five business days) of any changes in the schedule of charges.
- 12.4. Client understands AAIM will bill monthly for the Services rendered by way of electronic mail, and the payment terms are thirty (30) days upon receipt of the billing.
- 12.5. Client agrees to promptly pay invoices. Client's failure to pay invoices will be subject to the laws of the State of Missouri. Client further agrees to pay all reasonable attorneys' fees and costs should AAIM at all prevail in any litigation to recover fees charged under this Agreement.

13. AUDIT. Client understands AAIM conducts annual audits in order to comply with the FCRA. Client understands it may be asked for a copy of the Consumer's Authorization and Release form in connection with these audits. Client understands it will be given written notice of any such audit and, upon receipt of such notice, Client is required to provide the Consumer's authorization and release form to AAIM within 30 days from the date of the written request.

14. TERM & TERMINATION.

- 14.1. The Agreement will automatically renew each year unless termination by either party.
- 14.2. Either Party may terminate this Agreement at any time upon providing the other Party at least 10 days written notice of such termination. Such written termination shall be effective regardless of any pricing commitments the Parties may have entered into during the term of this Agreement. Notwithstanding the foregoing, if Client is delinquent in the payment of charges, violates the FCRA or other applicable law or violates a material term of this Agreement, AAIM may, at its election, discontinue providing services to Client and terminate this Agreement immediately by written notice to Client.
- 14.3. Neither Party shall be liable to the other Party for any costs or damages of any kind, including direct, special, exemplary, punitive, indirect, incidental or consequential damages, or for indemnification, solely on account of the lawful termination of this Agreement.

Client understands it must have a permissible purpose for ordering information on potential applicant(s) and/or current employee(s) and must obtain a disclosure and authorization form signed by the Consumer. By signing this Agreement Client acknowledges it has received a copy of “NOTICE TO USERS OF CONSUMER REPORTS: OBLIGATIONS OF USERS UNDER THE FCRA” [See Attachment G], “Complying with the Fair Credit Reporting Act”, AAIM’s most up to date disclosure and authorization form that includes “A Summary of Your Rights under FCRA”, Remediating the Effects of identity Theft [See Attachment H], the Driver’s Privacy Protection Act (DPPA), and a sample copy of the adverse action document(s). Attachment I is a sample report.

IN WITNESS WHEREOF the parties have duly executed this Agreement as of the day and year written above.

CLIENT: _____

AUTHORIZED REPRESENTATIVE (please print): _____

TITLE: _____

EMAIL ADDRESS: _____

PHONE NUMBER: _____

Signed

Dated

AAIM

AUTHORIZED REPRESENTATIVE (please print): _____

TITLE: _____

Signed

Dated

Additional User Access

FIRST NAME: _____

LAST NAME: _____

CONTACT NUMBER: _____

EMAIL ADDRESS: _____

TITLE: _____

☐

ADMINISTRATIVE ACCESS

☐

EMPLOYEE ACCESS

FIRST NAME: _____

LAST NAME: _____

CONTACT NUMBER: _____

EMAIL ADDRESS: _____

TITLE: _____

☐

ADMINISTRATIVE ACCESS

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EMPLOYEE ACCESS

FIRST NAME: _____

LAST NAME: _____

CONTACT NUMBER: _____

EMAIL ADDRESS: _____

TITLE: _____

☐

ADMINISTRATIVE ACCESS

☐

EMPLOYEE ACCESS

-
- Administrative access will permit users to view every report on the client account.
 - Employee access will permit users to view only the requested reports on the client account.

Please Print Name: _____

Signature: _____

Accounting/ Invoice Information

AAIM Check will send out all invoices through electronic communication (email) once a month.

Please provide contact information on who will receive the invoices for the clients account.

First Name: _____

Last Name: _____

Contact Number: _____

Email Address: _____

Title: _____

AAIM has provided the client with a schedule of the charges for its reports and services. AAIM will give reasonable prior notice (not less than five calendar days) of any change in the schedule of charges. Client does acknowledge that AAIM will bill monthly for the services rendered by way of electronic mail, and the payment terms are Net Due upon receipt of the billing date. Client does agree to promptly pay invoices.

This Agreement shall be interpreted, governed and construed according to the laws of the State of Missouri without reference to conflict of law principles and notwithstanding the place of execution hereof or the performance of any acts under this Agreement in any other jurisdiction. Employee agrees that the State of Missouri bears a substantial relationship to the Parties and the transaction between the Parties under this Agreement and each party consents to the personal jurisdiction of the state and federal courts located in the State of Missouri for purpose of any suit, action or other proceeding arising out of this Agreement, waives any argument that venue in any such forum is not convenient and agrees that the venue of any litigation initiated by either of them in connection with this Agreement shall be in either the state Court of Missouri in St. Louis County, Missouri, or the United States District Court for the Eastern District of Missouri. The Parties waives personal service of any summons, complaint or other process or papers to be issued in any action or proceeding involving any controversy and further waive any and all right to a trial by jury in any action or proceeding. The Parties agree that service of process may be made by registered or certified mail at the addresses shown in this Agreement.

ATTACHMENT A

RELEASE AND AUTHORIZATION AND DISCLOSURE

AUTHORIZATION AND RELEASE

In connection with my employment or application for employment with _____ (the company), I understand that a consumer report and/or an investigative consumer report may be requested, which may include the following types of information: names and dates of previous employers, salary, licensure, accidents, work experience, along with reasons for termination of past employment, credit (except California), etc. I understand that as directed by Company policy and consistent with the job described with the Company, you may be requesting information from public and private sources which may include the following types of information, but not limited to: workers compensation claims, driving record, criminal records, education, military records (DD214), judgments, bankruptcy proceedings, references, etc., from federal, state, counties and other agencies which maintain such records.

In addition, investigative consumer reports as defined by the federal Fair Credit Reporting Act, gathered from personal interviews with former employers and other past or current associates of mine to gather information regarding my work performance, character, general reputation and personal characteristics may be obtained.

I have the right to make a request to AAIMEA TRAINING AND CONSULTING LLC, the consumer reporting agency at 1600 S. Brentwood Blvd., Suite 400, St. Louis, MO 63144 or by phone 314-754-0236, upon proper identification, to request the nature and substance of all information in its files on me at the time of my request, including the sources of information and the agency will provide a complete and accurate disclosure of the nature and scope of the investigation covered by the investigative consumer report(s); and the recipients of any reports on me which the agency has previously furnished within the two year period for employment requests, and one year for other purposes preceding my request (California three years). I hereby consent to the Company obtaining the above information from the agency. I understand I may view their privacy policy at their website: www.aaimea.org.

I voluntarily and knowingly authorize the Company and/or its agents, to verify any aspect of the information contained in my employment application or through public and private sources. I further understand that misrepresentations or omissions in my employment application may be cause for rejection or may be cause for subsequent dismissal if I am hired.

I voluntarily and knowingly authorize any former employer, person, firm, corporation, school or government agency, its officers, employees and agents to release any and all information concerning my former employment to the Company or its agents. I understand that the employment information may include, but is not necessarily limited to, performance evaluation and reports, job descriptions, disciplinary reports, letters of reprimand, and opinions regarding my suitability for employment possessed by it.

I voluntarily and knowingly, fully release and discharge, absolve, indemnify and hold harmless the Company, its agents and any former employer, person, firm, corporation, school or government agency, its officers, employees and agents from any and all claims, liability, demands, causes of action, damages, or costs, including attorney's fees, present or future, whether known or unknown, anticipated or unanticipated, arising from or incident to the disclosure or release of any such information to the Company, its agents, or consumer reporting agency.

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AUTHORIZATION AND RELEASE

Maine, Massachusetts, and New Jersey applicants or employees only:

You have the right to inspect and promptly receive a copy of any investigative consumer report requested by the Company by contacting the consumer reporting agency identified above directly.

Minnesota applicants or employees only:

You have the right, upon written request to the Agency, to receive a complete and accurate disclosure of the nature and scope of any consumer report. The Agency must make this disclosure within five days of receipt of your request or of the Company's request for the report, whichever is later.

New York applicants or employees only:

You have the right to request whether the Company requested a consumer report and, if so, the Company will give you the name and address of the report's provider if other than the Agency.

California, Minnesota and Oklahoma applicants or employees only:

Please check this box if you would like to receive from the Agency a copy of any report furnished by the Agency to the Company pursuant to your authorization below.

☐

Washington applicants or employees only:

The Company will provide the disclosure described above concerning its procurement of an investigative consumer report either five days after receiving your request or after requesting the investigative consumer report, whichever is later. You have the right to ask the Company to provide you with a summary of your rights under the Washington Fair Credit Reporting Act.

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AUTHORIZATION AND RELEASE

I acknowledge receipt of the Disclosure regarding the background investigation and A SUMMARY OF YOUR RIGHTS UNDER THE FAIR CREDIT REPORTING ACT and certify that I have read and understand both of those documents. I hereby authorize the procurement of "consumer reports" and/or "investigative consumer reports" at any time after receipt of this authorization and, if I am hired (or contracted), this Authorization shall remain on file and serve as ongoing authorization throughout my employment (contract) with the company. To this end, I hereby authorize, without reservation, any law enforcement agency, administrator, state or federal agency, institution, school or university (public or private), information service bureau, employer, or insurance company to furnish any and all background information requested by AAIM EA TRAINING AND CONSULTING LLC, 1600 S. Brentwood Blvd., Suite 400, St. Louis, MO 63144, Phone: 314-754-0236 / 888-325-5212, Fax: 314-968-9587, any another outside organization acting on behalf of the Company, and/or the Company itself.

The following information is required by law enforcement agencies and other entities for positive identification purposes when checking public records. I understand that I am required to provide my date of birth in order to complete the background screening, and acknowledge that my date of birth will not affect any hiring decisions. It is confidential and will not be used for any other purposes.

Last Name	First Name	Middle Name

Other Names Used (Please include Maiden, Aliases, Nick Names, etc.)

Street Address	City	State	Zip Code

Social Security Number	Date Of Birth	Phone Number	Email Address

Driver's License Number	State of Issuance

Do you authorize contact with your current employer or references associated with your current employer?
YES ☐ NO ☐ N/A ☐

Applicant Signature: _____ Date: _____

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AUTHORIZATION AND RELEASE

California Resident Notice

APPLICANT MUST SELECT ONE OF THE FOLLOWING OPTIONS:

☐

I certify that I am **not** an applicant applying to work in California or a resident of California.

☐

I certify that I am an applicant applying to work in California or a resident of California.

NOTICE REGARDING BACKGROUND CHECKS PURSUANT TO CALIFORNIA LAW

_____ (the "Company") intends to obtain information about you for employment screening purposes from a consumer reporting agency. Thus, you can expect to be the subject of "investigative consumer reports" and "consumer credit reports" obtained for employment purposes. Such reports may include information about your character, general reputation, personal characteristics and mode of living. With respect to any investigative consumer report from an investigative consumer reporting agency ("ICRA"), the Company may investigate the information contained in your employment application and other background information about you, including but not limited to obtaining a criminal record report; verifying your references, work history, social security number, educational achievements, licensure, and certifications, driving record, and other information about you; and interviewing people who are knowledgeable about you. The results of this report may be used as a factor in making employment decisions. The source of any investigative consumer report (as that term is defined under California law) will be AAIM EA TRAINING AND CONSULTING LLC, 1600 S. Brentwood Blvd., Suite 400, St. Louis, MO 63144, Phone: 314-754-0236 / 888-325-5212, Fax: 314-968-9587.

The Company agrees to provide you with a copy of an investigative consumer report when required to do so under California law. Under California Civil Code section 1786.22, you are entitled to find out from an ICRA what is in the ICRA's file on you with proper identification, as follows:

- In person, by visual inspection of your file during normal business hours and on reasonable notice. You also may request a copy of the information in person. The ICRA may not charge you more than the actual copying costs for providing you with a copy of your file.
- A summary of all information contained in the ICRA's file on you that is required to be provided by the California Civil Code will be provided to you via telephone, if you have made a written request, with proper identification, for telephone disclosure, and the toll charge, if any, for the telephone call is prepaid by or charged directly to you.
- By requesting a copy be sent to a specified addressee by certified mail. ICRAs complying with requests for certified mailings shall not be liable for disclosures to third parties caused by mishandling of mail after such mailings leave the ICRAs.

"Proper Identification" includes documents such as a valid driver's license, social security account number, military identification card, and credit cards. Only if you cannot identify yourself with such information may the ICRA require additional information concerning your employment and personal or family history in order to verify your identity.

The ICRA will provide trained personnel to explain any information furnished to you and will provide a written explanation of any coded information contained in files maintained on you. This written explanation will be provided whenever a file is provided to you for visual inspection.

You may be accompanied by one other person of your choosing, who must furnish reasonable identification. An ICRA may require you to furnish a written statement granting permission to the ICRA to discuss your file in such person's presence.

☐

I acknowledge receipt of the NOTICE REGARDING BACKGROUND CHECKS PURSUANT TO CALIFORNIA LAW and certify that I have read and understand this document.

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AUTHORIZATION AND RELEASE

New York Resident Notice

APPLICANT MUST SELECT ONE OF THE FOLLOWING OPTIONS:

☐

I certify that I am **not** an applicant applying to work in New York or a resident of New York.

☐

I certify that I am an applicant applying to work in New York or a resident of New York.

NOTICE REGARDING BACKGROUND CHECKS PURSUANT TO NEW YORK LAW

NEW YORK CORRECTION LAW ARTICLE 23-A LICENSURE AND EMPLOYMENT OF PERSONS PREVIOUSLY CONVICTED OF ONE OR MORE CRIMINAL OFFENSES

Section 750. Definitions.

751. Applicability.

752. Unfair discrimination against persons previously convicted of one or more criminal offenses prohibited.

753. Factors to be considered concerning a previous criminal conviction; presumption.

754. Written statement upon denial of license or employment.

755. Enforcement.

§750. Definitions. For the purposes of this article, the following terms shall have the following meanings:

- (1) "Public agency" means the state or any local subdivision thereof, or any state or local department, agency, board or commission.
- (2) "Private employer" means any person, company, corporation, labor organization or association which employs ten or more persons.
- (3) "Direct relationship" means that the nature of criminal conduct for which the person was convicted has a direct bearing on his fitness or ability to perform one or more of the duties or responsibilities necessarily related to the license, opportunity, or job in question.
- (4) "License" means any certificate, license, permit or grant of permission required by the laws of this state, its political subdivisions or instrumentalities as a condition for the lawful practice of any occupation, employment, trade, vocation, business, or profession. Provided, however, that "license" shall not, for the purposes of this article, include any license or permit to own, possess, carry, or fire any explosive, pistol, handgun, rifle, shotgun, or other firearm.
- (5) "Employment" means any occupation, vocation or employment, or any form of vocational or educational training. Provided, however, that "employment" shall not, for the purposes of this article, include membership in any law enforcement agency.

§751. Applicability. The provisions of this article shall apply to any application by any person for a license or employment at any public or private employer, who has previously been convicted of one or more criminal offenses in this state or in any other jurisdiction, and to any license or employment held by any person whose conviction of one or more criminal offenses in this state or in any other jurisdiction preceded such employment or granting of a license, except where a mandatory forfeiture, disability or bar to

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AUTHORIZATION AND RELEASE

employment is imposed by law, and has not been removed by an executive pardon, certificate of relief from disabilities or certificate of good conduct. Nothing in this article shall be construed to affect any right an employer may have with respect to an intentional misrepresentation in connection with an application for employment made by a prospective employee or previously made by a current employee.

§752. Unfair discrimination against persons previously convicted of one or more criminal offenses prohibited. No application for any license or employment, and no employment or license held by an individual, to which the provisions of this article are applicable, shall be denied or acted upon adversely by reason of the individual's having been previously convicted of one or more criminal offenses, or by reason of a finding of lack of "good moral character" when such finding is based upon the fact that the individual has previously been convicted of one or more criminal offenses, unless:

- (1) There is a direct relationship between one or more of the previous criminal offenses and the specific license or employment sought or held by the individual; or
- (2) the issuance or continuation of the license or the granting or continuation of the employment would involve an unreasonable risk to property or to the safety or welfare of specific individuals or the general public.

§753. Factors to be considered concerning a previous criminal conviction; presumption. 1. In making a determination pursuant to section seven hundred fifty-two of this chapter, the public agency or private employer shall consider the following factors:

- (a) The public policy of this state, as expressed in this act, to encourage the licensure and employment of persons previously convicted of one or more criminal offenses.
- (b) The specific duties and responsibilities necessarily related to the license or employment sought or held by the person.
- (c) The bearing, if any, the criminal offense or offenses for which the person was previously convicted will have on his fitness or ability to perform one or more such duties or responsibilities.
- (d) The time which has elapsed since the occurrence of the criminal offense or offenses.
- (e) The age of the person at the time of occurrence of the criminal offense or offenses.
- (f) The seriousness of the offense or offenses.
- (g) Any information produced by the person, or produced on his behalf, in regard to his rehabilitation and good conduct.
- (h) The legitimate interest of the public agency or private employer in protecting property, and the safety and welfare of specific individuals or the general public.

2. In making a determination pursuant to section seven hundred fifty-two of this chapter, the public agency or private employer shall also give consideration to a certificate of relief from disabilities or a certificate of good conduct issued to the applicant, which certificate shall create a presumption of rehabilitation in regard to the offense or offenses specified therein.

§754. Written statement upon denial of license or employment. At the request of any person previously convicted of one or more criminal offenses who has been denied a license or employment, a public agency or private employer shall provide, within thirty days of a request, a written statement setting forth the reasons for such denial.

§755. Enforcement. 1. In relation to actions by public agencies, the provisions of this article shall be enforceable by a proceeding brought pursuant to article seventy-eight of the civil practice law and rules.

2. In relation to actions by private employers, the provisions of this article shall be enforceable by the division of human rights pursuant to the powers and procedures set forth in article fifteen of the executive law, and, concurrently, by the New York city commission on human rights.

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I acknowledge receipt of the NOTICE REGARDING BACKGROUND CHECKS PURSUANT TO NEW YORK LAW and certify that I have read and understand this document.

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ATTACHMENT B

DRIVER'S PRIVACY PROTECTION ACT

DRIVER'S PRIVACY PROTECTION ACT**(18 U.S.C. §2721 et. Seq.)****PROHIBITION ON RELEASE AND USE OF CERTAIN PERSONAL INFORMATION
FROM STATE MOTOR VEHICLE RECORDS****SEC. 2721. PROHIBITION ON RELEASE AND USE OF CERTAIN PERSONAL INFORMATION FROM STATE MOTOR VEHICLE RECORDS.**

(a) In General. A State department of motor vehicles, and any officer, employee, or contractor, thereof, shall not knowingly disclose or otherwise make available to any person or entity:

- (1) personal information, as defined in 18 U.S.C. 2725(3), about any individual obtained by the department in connection with a motor vehicle record, except as provided in subsection (b) of this section; or
- (2) highly restricted personal information, as defined in 18 U.S.C. 2725(4), about any individual obtained by the department in connection with a motor vehicle record, without the express consent of the person to whom such information applies, except uses permitted in subsections (b)(1), (b)(4), (b)(6), and (b)(9): Provided, That subsection (a)(2) shall not in any way affect the use of organ donation information on an individual's driver's license or affect the administration of organ donation initiatives in the States.

(b) Permissible Uses. -Personal information referred to in subsection (a) shall be disclosed for use in connection with matters of motor vehicle or driver safety and theft, motor vehicle emissions, motor vehicle product alterations, recalls, or advisories, performance monitoring of motor vehicles and dealers by motor vehicle manufacturers, and removal of non-owner records from the original owner records of motor vehicle manufacturers to carry out the purposes of titles I and IV of the Anti-Car Theft Act of 1992, the Automobile Information Disclosure Act (15 U.S.C. 1231 et seq.), the Clean Air Act (42 U.S.C. 7401 et seq.), and chapters 301, 305, and 321-331 of title 49 (49 U.S.C.S. 30101 et seq., 30501 et seq., 32101 et seq.-33101 et seq.), and, subject to subsection (a)(2), may be disclosed as follows:

- (1) For use by any government agency, including any court or law enforcement agency, in carrying out its functions, or any private person or entity acting on behalf of a Federal, State, or local agency in carrying out its functions.
- (2) For use in connection with matters of motor vehicle or driver safety and theft; motor vehicle emissions; motor vehicle product alterations, recalls, or advisories; performance monitoring of motor vehicles, motor vehicle parts and dealers; motor vehicle market research activities, including survey research; and removal of non-owner records from the original owner records of motor vehicle manufacturers.
- (3) For use in the normal course of business by a legitimate business or its agents, employees, or contractors, but only -
 - (A) to verify the accuracy of personal information submitted by the individual to the business or its agents, employees, or contractors; and
 - (B) if such information as so submitted is not correct or is no longer correct, to obtain the correct information, but only for the purposes of preventing fraud by, pursuing legal remedies against, or recovering on a debt or security interest against, the individual.
- (4) For use in connection with any civil, criminal, administrative, or arbitral proceeding in any Federal, State, or local court or agency or before any self-regulatory body, including the service of process, investigation in anticipation of litigation, and the execution or enforcement of judgments and orders, or pursuant to an order of a Federal, State, or local court.
- (5) For use in research activities, and for use in producing statistical reports, so long as the personal information is not published, redisclosed, or used to contact individuals.
- (6) For use by any insurer or insurance support organization, or by a self-insured entity, or its agents, employees, or contractors, in connection with claims investigation activities, antifraud activities, rating or underwriting.
- (7) For use in providing notice to the owners of towed or impounded vehicles.
- (8) For use by any licensed private investigative agency or licensed security service for any purpose permitted under this subsection.
- (9) For use by an employer or its agent or insurer to obtain or verify information relating to a holder of a commercial driver's license that is required under Chapter 313 of title 49 [49 U.S.C.S secs. 31301 et seq.].
- (10) For use in connection with the operation of private toll transportation facilities.
- (11) For any other use in response to requests for individual motor vehicle records if the State has obtained the express consent of the person to whom such personal information pertains.
- (12) For bulk distribution for surveys, marketing or solicitations if the State has obtained the express consent of the person to whom such personal information pertains.
- (13) For use by any requester, if the requester demonstrates it has obtained the written consent of the individual to whom the information pertains.
- (14) For any other use specifically authorized under the law of the State that holds the record, if such use is related to the operation of a motor vehicle or public safety.

(c) Resale or Redisclosure. - An authorized recipient of personal information (except a recipient under subsection (b)(11) or (12)) may resell or redisclose the information only for a use permitted under subsection (b) (but not for uses under subsection b)(11) or (12)). An authorized recipient under subsection (b)(11) may resell or redisclose personal information for any purpose. An authorized recipient under subsection (b)(12) may resell or redisclose personal information pursuant to subsection (b)(12). Any authorized recipient (except a recipient under subsection (b)(11)) that resells or rediscloses personal information covered by this title must keep for a period of 5 years records identifying each person or entity that receives information and the permitted purpose for which the information will be used and must make such records available to the motor vehicle department upon request.

(d) Waiver Procedures. - A State motor vehicle department may establish and carry out procedures under which the department or its agents, upon receiving a request for personal information that does not fall within one of the exceptions in subsection (b), may mail a copy of the request to the individual about whom the information was requested, informing such individual of the request, together with a statement to the effect that the information will not be released unless the individual waives such individual's right to privacy under this section.

(e) Prohibition on conditions. No State may condition or burden in any way the issuance of an individual's motor vehicle record as defined in 18 U.S.C. 2725(1) to obtain express consent. Nothing in this paragraph shall be construed to prohibit a State from charging an administrative fee for issuance of a motor vehicle record.

Sec. 2722. Additional unlawful acts

(a) Procurement for Unlawful Purpose. - It shall be unlawful for any person knowingly to obtain or disclose personal information, from a motor vehicle record, for any use not permitted under section 2721(b) of this title.

(b) False Representation. - It shall be unlawful for any person to make false representation to obtain any personal information from an individual's motor vehicle record.

Sec. 2723. Penalties

(a) Criminal Fine. - A person who knowingly violates this chapter shall be fined under this title.

(b) Violations by State Department of Motor Vehicles. - Any State department of motor vehicles that has a policy or practice of substantial noncompliance with this chapter shall be subject to a civil penalty imposed by the Attorney General of not more than \$5,000 a day for each day of substantial noncompliance.

Sec. 2724. Civil action

(a) Cause of Action. - A person who knowingly obtains, discloses or uses personal information, from a motor vehicle record, for a purpose not permitted under this chapter shall be liable to the individual to whom the information pertains, who may bring a civil action in a United States district court.

(b) Remedies. - The court may award -

- (1) actual damages, but not less than liquidated damages in the amount of \$2,500;
- (2) punitive damages upon proof of willful or reckless disregard of the law;
- (3) reasonable attorneys' fees and other litigation costs reasonably incurred; and
- (4) such other preliminary and equitable relief as the court determines to be appropriate.

Sec. 2725. Definitions

In this chapter -

- (1) "motor vehicle record" means any record that pertains to a motor vehicle operator's permit, motor vehicle title, motor vehicle registration, or identification card issued by a department of motor vehicles;
- (2) "person" means an individual, organization or entity, but does not include a State or agency thereof; and
- (3) "personal information" means information that identifies an individual, including an individual's photograph, social security number, driver identification number, name, address (but not the 5-digit zip code), telephone number, and medical or disability information, but does not include information on vehicular accidents, driving violations, and driver's status;
- (4) "highly restricted personal information" means an individual's photograph or image, social security number, medical or disability information; and
- (5) "express consent" means consent in writing, including consent conveyed electronically that bears an electronic signature as defined in section 106(5) of Public Law 106-229 [15 U.S.C.S § 7006(5)].

The amendments made by section 300002 shall become effective on the date that is 3 years after the date of enactment of this Act (Sept. 13, 1994). After the effective date, if a State has implemented a procedure under section 2721(b)(11) and (12) of title 18, United States Code, as added by section 300002(a), for prohibiting disclosures or uses of personal information, and the procedure otherwise meets the requirements of subsection (b)(11) and (12), the State shall be in compliance with subsection (b)(11) and (12) even if the procedure is not available to individuals until they renew their license, title, registration or identification card, so long as the State provides some other procedure for individuals to contact the State on their own initiative to prohibit such uses or disclosures. Prior to the effective date, personal information covered by the amendment made by section 300002 may be released consistent with State law or practice.

ATTACHMENT C

SAMPLE PRE-ADVERSE ACTION NOTICE TO CONSUMERS

ABC Company
999 1st Street
Suite 1150
St. Louis, MO 63144
Phone:

PRE-ADVERSE ACTION LETTER

CONFIDENTIAL TO BE OPENED BY ADDRESSEE ONLY
FRED TEST
1234 MARKET STREET
SAINT LOUIS, MO 63101

We are writing to inform you that in evaluating your application for employment we have received the enclosed consumer report. This notification is provided because we may make an adverse decision that may be based, in whole or part, on this report. We are hereby informing you of certain information pursuant to the Fair Credit Reporting Act and state law.

The report was procured pursuant to an authorization signed by you. A summary of your rights as a consumer is enclosed. If you have any questions regarding this report or believe that it may contain incorrect information, you may contact the provider of the report, AAIM EA TRAINING AND CONSULTING LLC, and they will respond to your inquiry. Their mailing address and phone number are listed below:

AAIM EA TRAINING AND CONSULTING LLC
1600 S. Brentwood Blvd.
Suite 400
St. Louis, MO 63144
Phone: 314-754-0236 / 888-325-5212
Fax: 314-968-9587

AAIM EA TRAINING AND CONSULTING LLC only provided us the consumer report and plays no part in the decision to take any action on your employment application. AAIM EA TRAINING AND CONSULTING LLC is unable to provide you with specific reasons for any employment related decisions to be made.

Sincerely,
ABC Company

Enclosures: Consumer Rights Notification
Consumer Report



ATTACHMENT D

“A SUMMARY OF YOUR RIGHTS UNDER THE FAIR CREDIT REPORTING ACT”

A Summary of Your Rights Under the Fair Credit Reporting Act

The federal Fair Credit Reporting Act (FCRA) promotes the accuracy, fairness, and privacy of information in the files of consumer reporting agencies. There are many types of consumer reporting agencies, including credit bureaus that gather and sell information about your creditworthiness to creditors, employers, landlords, and other businesses. The FCRA gives you specific rights, which are summarized below. You may have additional rights under state law. For more information, go to www.ftc.gov/credit, or write to: Consumer Response Center, Federal Trade Commission, 600 Pennsylvania Ave. N.W., Washington, D.C. 20580.

You must be told if information in your file has been used against you. Anyone who uses information from a consumer reporting agency to deny your application for credit, insurance, or employment – or take another adverse action against you – must tell you and give you the name, address, and phone number of the agency that provided the information.

You can find out what is in your file. At any time, you may request and obtain your report from a consumer reporting agency. You will be asked to provide proper identification, which may include your Social Security number. In many cases the report will be free. You are entitled to free reports if a person has taken adverse action against you because of information in a report; if you are the victim of identity theft; if you are the victim of fraud; if you are on public assistance; or if you are unemployed but expect to apply for employment within 60 days. In addition, you are entitled to one free report every twelve months from each of the nationwide credit bureaus and from some specialized consumer reporting agencies. See www.ftc.gov/credit for details about how to obtain your free report.

You have a right to know your credit score. Credit scores are numerical summaries of a consumer's creditworthiness based on information from consumer reports. For a fee, you may get your credit score. For more information, click on www.ftc.gov/credit. In some mortgage transactions, you will get credit score information without charge.

You can dispute inaccurate information with the consumer reporting agency. If you tell a consumer reporting agency that your file has inaccurate information, the agency must take certain steps to investigate unless your dispute is frivolous. For an explanation of dispute procedures, go to www.ftc.gov/credit.

Inaccurate information must be corrected or deleted. A consumer reporting agency or furnisher must remove or correct information verified as inaccurate, usually within 30 days after you dispute it. However, a consumer reporting agency may continue to report negative data that it verifies as being accurate.

Outdated negative information may not be reported. In most cases, a consumer reporting agency may not report negative information that is more than seven years old, or bankruptcies that are more than 10 years old.

Access to your file is limited. A consumer reporting agency may provide information about you only to people with a valid need as determined by the FCRA -- usually to consider an application with a creditor, insurer, employer, landlord, or other business.

Your consent is required for reports that are provided to employers. A consumer reporting agency may not give out information about you to your employer, or potential employer, without your written consent. Blanket consent may be given at the time of employment or later.

You may choose to remove your name from consumer reporting agency lists for unsolicited credit and insurance offers. These offers must include a toll-free phone number you can call if you choose to take your name and address off lists in the future. You may opt-out at the major credit bureaus by calling 1-800-XXXXXXX.

You may seek damages from violators. If a consumer reporting agency, a user of consumer reports, or, in some cases, a furnisher of information to a consumer reporting agency violates the FCRA, you may sue them in state or federal court.

Identity theft victims and active duty military personnel have additional rights. Victims of identity theft have new rights under the FCRA. Active-duty military personnel who are away from their regular duty station may file "active duty" alerts to help prevent identity theft. For more information, visit www.ftc.gov/credit.

The FCRA gives several federal agencies authority to enforce the FCRA:

TO COMPLAIN AND FOR INFORMATION:	PLEASE CONTACT:
Consumer reporting agencies, creditors and others not listed below	Federal Trade Commission Consumer Response Center - FCRA Washington, DC 20580 1-877-382-4367 (Toll-Free)
National banks, federal branches/agencies of foreign banks (word "National" or initials "N.A." appear in or after bank's name)	Office of the Comptroller of the Currency Compliance Management, Mail Stop 6-6 Washington, DC 20219 800-613-6743
Federal Reserve System member banks (except national banks, and federal branches/agencies of foreign banks)	Federal Reserve Board Division of Consumer & Community Affairs Washington, DC 20551 202-452-3693
Savings associations and federally chartered savings banks (word "Federal" or initials "F.S.B." appear in federal institution's name)	Office of Thrift Supervision Consumer Programs Washington, DC 20552 800-842-6929
Federal credit unions (words "Federal Credit Union" appear in institution's name)	National Credit Union Administration 1775 Duke Street Alexandria, VA 22314 703-518-6360
State-chartered banks that are not members of the Federal Reserve System	Federal Deposit Insurance Corporation Division of Compliance & Consumer Affairs Washington, DC 20429 800-934-FDIC
Air, surface, or rail common carriers regulated by former Civil Aeronautics Board or Interstate Commerce Commission	Department of Transportation Office of Financial Management Washington, DC 20590 202-366-1306
Activities subject to the Packers and Stockyards Act, 1921	Department of Agriculture Office of Deputy Administrator - GIPSA Washington, DC 20250 202-720-7051

ATTACHMENT E

SAMPLE ADVERSE ACTION NOTICE EMPLOYMENT DENIAL

ABC Company
999 1st Street
Suite 1150
St. Louis, MO 63144
Phone:

ADVERSE ACTION NOTICE

CONFIDENTIAL TO BE OPENED BY ADDRESSEE ONLY
FRED TEST
1234 MARKET STREET
SAINT LOUIS, MO 63101

November 12, 2013

Dear FRED TEST,

This letter is to inform you that an offer of employment will not be made at this time. This decision was based in whole or part, on the information provided us in a Consumer Report or Investigative Consumer Report.

The report was prepared pursuant to an authorization signed by you at the time of application. Subsequently you also received a copy of your consumer report and a summary of your rights under the Fair Credit Reporting Act. The consumer report was used only for employment purposes and prepared for us by a consumer-reporting agency. Their mailing address and phone number are listed below:

AAIM EA TRAINING AND CONSULTING LLC
1600 S. Brentwood Blvd.
Suite 400
St. Louis, MO 63144
Phone: 314-754-0236 / 888-325-5212
Fax: 314-968-9587

AAIM EA TRAINING AND CONSULTING LLC plays no part in the decision to take any action on your employment application and is unable to provide you with specific reason(s) for not extending an offer of employment.

You may, upon providing proper identification, request another free copy of the report and may dispute with the consumer reporting agency the completeness or accuracy of any information in the report within 60 days of receipt of this notice with AAIM EA TRAINING AND CONSULTING LLC.

Sincerely,
ABC Company

ABC Company
999 1st Street
Suite 1150
St. Louis, MO 63144
Phone:

ATTACHMENT F

SAMPLE ADVERSE ACTION NOTICE EMPLOYMENT WITHDRAWAL

ABC Company
999 1st Street
Suite 1150
St. Louis, MO 63144
Phone:

ADVERSE ACTION NOTICE

CONFIDENTIAL TO BE OPENED BY ADDRESSEE ONLY
FRED TEST
1234 MARKET STREET
SAINT LOUIS, MO 63101

November 12, 2013

Dear FRED TEST,

This letter is to inform you that we find it necessary to rescind our previous offer of employment.

This decision was based in whole or part, on the information provided us in a Consumer Report or Investigative Consumer Report.

The report was prepared pursuant to an authorization signed by you at the time of application. Subsequently you also received a copy of your consumer report and a summary of your rights under the Fair Credit Reporting Act. The consumer report was used only for employment purposes and prepared for us by a consumer-reporting agency. Their mailing address and phone number are listed below:

AAIM EA TRAINING AND CONSULTING LLC
1600 S. Brentwood Blvd.
Suite 400
St. Louis, MO 63144
Phone: 314-754-0236 / 888-325-5212
Fax: 314-968-9587

AAIM EA TRAINING AND CONSULTING LLC plays no part in the decision to take any action on your employment application and is unable to provide you with specific reason(s) for not extending an offer of employment.

You may, upon providing proper identification, request another free copy of the report and may dispute with the consumer reporting agency the completeness or accuracy of any information in the report within 60 days of receipt of this notice with AAIM EA TRAINING AND CONSULTING LLC.

Sincerely,
ABC Company

ABC Company
999 1st Street
Suite 1150
St. Louis, MO 63144
Phone:

ATTACHMENT G

**“NOTICE TO USERS OF CONSUMER
REPORTS: OBLIGATIONS OF USERS UNDER
THE FCRA”**

All users subject to the Federal Trade Commission's jurisdiction must comply with all applicable regulations, including regulations promulgated after this notice was prescribed in 2004. Information about applicable regulations currently in effect can be found at the Commission's Web site, www.ftc.gov/credit. Persons not subject to the Commission's jurisdiction should consult with their regulators to find any relevant regulations.

NOTICE TO USERS OF CONSUMER REPORTS: OBLIGATIONS OF USERS UNDER THE FCRA

The Fair Credit Reporting Act (FCRA), 15 U.S.C. 1681-1681y, requires that this notice be provided to inform users of consumer reports of their legal obligations. State law may impose additional requirements. The text of the FCRA is set forth in full at the Federal Trade Commission's Website at www.ftc.gov/credit. At the end of this document is a list of United States Code citations for the FCRA. Other information about user duties is also available at the Commission's Web site. **Users must consult the relevant provisions of the FCRA for details about their obligations under the FCRA.**

The first section of this summary sets forth the responsibilities imposed by the FCRA on all users of consumer reports. The subsequent sections discuss the duties of users of reports that contain specific types of information, or that are used for certain purposes, and the legal consequences of violations. If you are a furnisher of information to a consumer reporting agency (CRA), you have additional obligations and will receive a separate notice from the CRA describing your duties as a furnisher.

I. OBLIGATIONS OF ALL USERS OF CONSUMER REPORTS

A. Users Must Have a Permissible Purpose

Congress has limited the use of consumer reports to protect consumers' privacy. All users must have a permissible purpose under the FCRA to obtain a consumer report. Section 604 contains a list of the permissible purposes under the law. These are:

- As ordered by a court or a federal grand jury subpoena. Section 604(a)(1)
- As instructed by the consumer in writing. Section 604(a)(2)
- For the extension of credit as a result of an application from a consumer, or the review or collection of a consumer's account. Section 604(a)(3)(A)
- For employment purposes, including hiring and promotion decisions, where the consumer has given written permission. Sections 604(a)(3)(B) and 604(b)

- For the underwriting of insurance as a result of an application from a consumer. Section 604(a)(3)(C)
- When there is a legitimate business need, in connection with a business transaction that is initiated by the consumer. Section 604(a)(3)(F)(i)
- To review a consumer's account to determine whether the consumer continues to meet the terms of the account. Section 604(a)(3)(F)(ii)
- To determine a consumer's eligibility for a license or other benefit granted by a governmental instrumentality required by law to consider an applicant's financial responsibility or status. Section 604(a)(3)(D)
- For use by a potential investor or servicer, or current insurer, in a valuation or assessment of the credit or prepayment risks associated with an existing credit obligation. Section 604(a)(3)(E)
- For use by state and local officials in connection with the determination of child support payments, or modifications and enforcement thereof. Sections 604(a)(4) and 604(a)(5)

In addition, creditors and insurers may obtain certain consumer report information for the purpose of making “prescreened” unsolicited offers of credit or insurance. Section 604(c). The particular obligations of users of “prescreened” information are described in Section VII below.

B. Users Must Provide Certifications

Section 604(f) prohibits any person from obtaining a consumer report from a consumer reporting agency (CRA) unless the person has certified to the CRA the permissible purpose(s) for which the report is being obtained and certifies that the report will not be used for any other purpose.

C. Users Must Notify Consumers When Adverse Actions Are Taken

The term “adverse action” is defined very broadly by Section 603. “Adverse actions” include all business, credit, and employment actions affecting consumers that can be considered to have a negative impact as defined by Section 603(k) of the FCRA – such as denying or canceling credit or insurance, or denying employment or promotion. No adverse action occurs in a credit transaction where the creditor makes a counteroffer that is accepted by the consumer.

1. Adverse Actions Based on Information Obtained From a CRA

If a user takes any type of adverse action as defined by the FCRA that is based at least in part on information contained in a consumer report, Section 615(a) requires the user to notify the consumer. The notification may be done in writing, orally, or by electronic means. It must include the following:

- The name, address, and telephone number of the CRA (including a toll-free telephone number, if it is a nationwide CRA) that provided the report.
- A statement that the CRA did not make the adverse decision and is not able to explain why the decision was made.
- A statement setting forth the consumer's right to obtain a free disclosure of the consumer's file from the CRA if the consumer makes a request within 60 days.
- A statement setting forth the consumer's right to dispute directly with the CRA the accuracy or completeness of any information provided by the CRA.

2. Adverse Actions Based on Information Obtained From Third Parties Who Are Not Consumer Reporting Agencies

If a person denies (or increases the charge for) credit for personal, family, or household purposes based either wholly or partly upon information from a person other than a CRA, and the information is the type of consumer information covered by the FCRA, Section 615(b)(1) requires that the user clearly and accurately disclose to the consumer his or her right to be told the nature of the information that was relied upon if the consumer makes a written request within 60 days of notification. The user must provide the disclosure within a reasonable period of time following the consumer's written request.

3. Adverse Actions Based on Information Obtained From Affiliates

If a person takes an adverse action involving insurance, employment, or a credit transaction initiated by the consumer, based on information of the type covered by the FCRA, and this information was obtained from an entity affiliated with the user of the information by common ownership or control, Section 615(b)(2) requires the user to notify the consumer of the adverse action. The notice must inform the consumer that he or she may obtain a disclosure of the nature of the information relied upon by making a written request within 60 days of receiving the adverse action notice. If the consumer makes such a request, the user must disclose the nature of the information not later than 30 days after receiving the request. If consumer report information is shared among affiliates and then used for an adverse action, the user must make an adverse action disclosure as set forth in I.C.1 above.

D. Users Have Obligations When Fraud and Active Duty Military Alerts are in Files

When a consumer has placed a fraud alert, including one relating to identity theft, or an active duty military alert with a nationwide consumer reporting agency as defined in Section 603(p) and resellers, Section 605A(h) imposes limitations on users of reports obtained from the consumer reporting agency in certain circumstances, including the establishment of a new credit plan and the issuance of additional credit cards. For initial fraud alerts and active duty alerts, the user must have reasonable policies and procedures in place to form a belief that the user knows the identity of the applicant or contact the consumer at a telephone number specified by the consumer; in the case of extended fraud alerts, the user must contact the consumer in accordance with the contact information provided in the consumer's alert.

E. Users Have Obligations When Notified of an Address Discrepancy

Section 605(h) requires nationwide CRAs, as defined in Section 603(p), to notify users that request reports when the address for a consumer provided by the user in requesting the report is substantially different from the addresses in the consumer's file. When this occurs, users must comply with regulations specifying the procedures to be followed, which will be issued by the Federal Trade Commission and the banking and credit union regulators. The Federal Trade Commission's regulations will be available at www.ftc.gov/credit.

F. Users Have Obligations When Disposing of Records

Section 628 requires that all users of consumer report information have in place procedures to properly dispose of records containing this information. The Federal Trade Commission, the Securities and Exchange Commission, and the banking and credit union regulators have issued regulations covering disposal. The Federal Trade Commission's regulations may be found at www.ftc.gov/credit.

II. CREDITORS MUST MAKE ADDITIONAL DISCLOSURES

If a person uses a consumer report in connection with an application for, or a grant, extension, or provision of, credit to a consumer on material terms that are materially less favorable than the most favorable terms available to a substantial proportion of consumers from or through that person, based in whole or in part on a consumer report, the person must provide a risk-based pricing notice to the consumer in accordance with regulations to be jointly prescribed by the Federal Trade Commission and the Federal Reserve Board.

Section 609(g) requires a disclosure by all persons that make or arrange loans secured by residential real property (one to four units) and that use credit scores. These persons must

provide credit scores and other information about credit scores to applicants, including the disclosure set forth in Section 609(g)(1)(D) (“Notice to the Home Loan Applicant”).

III. OBLIGATIONS OF USERS WHEN CONSUMER REPORTS ARE OBTAINED FOR EMPLOYMENT PURPOSES

A. Employment Other Than in the Trucking Industry

If information from a CRA is used for employment purposes, the user has specific duties, which are set forth in Section 604(b) of the FCRA. The user must:

- Make a clear and conspicuous written disclosure to the consumer before the report is obtained, in a document that consists solely of the disclosure, that a consumer report may be obtained.
- Obtain from the consumer prior written authorization. Authorization to access reports during the term of employment may be obtained at the time of employment.
- Certify to the CRA that the above steps have been followed, that the information being obtained will not be used in violation of any federal or state equal opportunity law or regulation, and that, if any adverse action is to be taken based on the consumer report, a copy of the report and a summary of the consumer's rights will be provided to the consumer.
- **Before** taking an adverse action, the user must provide a copy of the report to the consumer as well as the summary of consumer’s rights. (The user should receive this summary from the CRA.) A Section 615(a) adverse action notice should be sent after the adverse action is taken.

An adverse action notice also is required in employment situations if credit information (other than transactions and experience data) obtained from an affiliate is used to deny employment. Section 615(b)(2)

The procedures for investigative consumer reports and employee misconduct investigations are set forth below.

B. Employment in the Trucking Industry

Special rules apply for truck drivers where the only interaction between the consumer and the potential employer is by mail, telephone, or computer. In this case, the consumer may provide consent orally or electronically, and an adverse action may be made orally, in writing, or electronically. The consumer may obtain a copy of any report relied upon by the trucking

company by contacting the company.

IV. OBLIGATIONS WHEN INVESTIGATIVE CONSUMER REPORTS ARE USED

Investigative consumer reports are a special type of consumer report in which information about a consumer's character, general reputation, personal characteristics, and mode of living is obtained through personal interviews by an entity or person that is a consumer reporting agency. Consumers who are the subjects of such reports are given special rights under the FCRA. If a user intends to obtain an investigative consumer report, Section 606 requires the following:

- The user must disclose to the consumer that an investigative consumer report may be obtained. This must be done in a written disclosure that is mailed, or otherwise delivered, to the consumer at some time before or not later than three days after the date on which the report was first requested. The disclosure must include a statement informing the consumer of his or her right to request additional disclosures of the nature and scope of the investigation as described below, and the summary of consumer rights required by Section 609 of the FCRA. (The summary of consumer rights will be provided by the CRA that conducts the investigation.)
- The user must certify to the CRA that the disclosures set forth above have been made and that the user will make the disclosure described below.
- Upon the written request of a consumer made within a reasonable period of time after the disclosures required above, the user must make a complete disclosure of the nature and scope of the investigation. This must be made in a written statement that is mailed, or otherwise delivered, to the consumer no later than five days after the date on which the request was received from the consumer or the report was first requested, whichever is later in time.

V. SPECIAL PROCEDURES FOR EMPLOYEE INVESTIGATIONS

Section 603(x) provides special procedures for investigations of suspected misconduct by an employee or for compliance with Federal, state or local laws and regulations or the rules of a self-regulatory organization, and compliance with written policies of the employer. These investigations are not treated as consumer reports so long as the employer or its agent complies with the procedures set forth in Section 603(x), and a summary describing the nature and scope of the inquiry is made to the employee if an adverse action is taken based on the investigation.

VI. OBLIGATIONS OF USERS OF MEDICAL INFORMATION

Section 604(g) limits the use of medical information obtained from consumer reporting agencies (other than payment information that appears in a coded form that does not identify the

medical provider). If the information is to be used for an insurance transaction, the consumer must give consent to the user of the report or the information must be coded. If the report is to be used for employment purposes – or in connection with a credit transaction (except as provided in regulations issued by the banking and credit union regulators) – the consumer must provide specific written consent and the medical information must be relevant. Any user who receives medical information shall not disclose the information to any other person (except where necessary to carry out the purpose for which the information was disclosed, or as permitted by statute, regulation, or order).

VII. OBLIGATIONS OF USERS OF "PRESCREENED" LISTS

The FCRA permits creditors and insurers to obtain limited consumer report information for use in connection with unsolicited offers of credit or insurance under certain circumstances. Sections 603(l), 604(c), 604(e), and 615(d). This practice is known as "prescreening" and typically involves obtaining from a CRA a list of consumers who meet certain preestablished criteria. If any person intends to use prescreened lists, that person must (1) before the offer is made, establish the criteria that will be relied upon to make the offer and to grant credit or insurance, and (2) maintain such criteria on file for a three-year period beginning on the date on which the offer is made to each consumer. In addition, any user must provide with each written solicitation a clear and conspicuous statement that:

- Information contained in a consumer's CRA file was used in connection with the transaction.
- The consumer received the offer because he or she satisfied the criteria for credit worthiness or insurability used to screen for the offer.
- Credit or insurance may not be extended if, after the consumer responds, it is determined that the consumer does not meet the criteria used for screening or any applicable criteria bearing on credit worthiness or insurability, or the consumer does not furnish required collateral.
- The consumer may prohibit the use of information in his or her file in connection with future prescreened offers of credit or insurance by contacting the notification system established by the CRA that provided the report. The statement must include the address and toll-free telephone number of the appropriate notification system.

In addition, once the Federal Trade Commission by rule has established the format, type size, and manner of the disclosure required by Section 615(d), users must be in compliance with the rule. The FTC's regulations will be at www.ftc.gov/credit.

VIII. OBLIGATIONS OF RESELLERS

A. Disclosure and Certification Requirements

Section 607(e) requires any person who obtains a consumer report for resale to take the following steps:

- Disclose the identity of the end-user to the source CRA.
- Identify to the source CRA each permissible purpose for which the report will be furnished to the end-user.
- Establish and follow reasonable procedures to ensure that reports are resold only for permissible purposes, including procedures to obtain:
 - (1) the identity of all end-users;
 - (2) certifications from all users of each purpose for which reports will be used;
 - and
 - (3) certifications that reports will not be used for any purpose other than the purpose(s) specified to the reseller. Resellers must make reasonable efforts to verify this information before selling the report.

B. Reinvestigations by Resellers

Under Section 611(f), if a consumer disputes the accuracy or completeness of information in a report prepared by a reseller, the reseller must determine whether this is a result of an action or omission on its part and, if so, correct or delete the information. If not, the reseller must send the dispute to the source CRA for reinvestigation. When any CRA notifies the reseller of the results of an investigation, the reseller must immediately convey the information to the consumer.

C. Fraud Alerts and Resellers

Section 605A(f) requires resellers who receive fraud alerts or active duty alerts from another consumer reporting agency to include these in their reports.

IX. LIABILITY FOR VIOLATIONS OF THE FCRA

Failure to comply with the FCRA can result in state government or federal government enforcement actions, as well as private lawsuits. Sections 616, 617, and 621. In addition, any person who knowingly and willfully obtains a consumer report under false pretenses may face criminal prosecution. Section 619.

The FTC's Web site, www.ftc.gov/credit, has more information about the FCRA, including publications for businesses and the full text of the FCRA.

Citations for FCRA sections in the U.S. Code, 15 U.S.C. § 1681 et seq.:

Section 602	15 U.S.C. 1681
Section 603	15 U.S.C. 1681a
Section 604	15 U.S.C. 1681b
Section 605	15 U.S.C. 1681c
Section 605A	15 U.S.C. 1681cA
Section 605B	15 U.S.C. 1681cB
Section 606	15 U.S.C. 1681d
Section 607	15 U.S.C. 1681e
Section 608	15 U.S.C. 1681f
Section 609	15 U.S.C. 1681g
Section 610	15 U.S.C. 1681h
Section 611	15 U.S.C. 1681i
Section 612	15 U.S.C. 1681j
Section 613	15 U.S.C. 1681k
Section 614	15 U.S.C. 1681l
Section 615	15 U.S.C. 1681m
Section 616	15 U.S.C. 1681n
Section 617	15 U.S.C. 1681o
Section 618	15 U.S.C. 1681p
Section 619	15 U.S.C. 1681q
Section 620	15 U.S.C. 1681r
Section 621	15 U.S.C. 1681s
Section 622	15 U.S.C. 1681s-1
Section 623	15 U.S.C. 1681s-2
Section 624	15 U.S.C. 1681t
Section 625	15 U.S.C. 1681u
Section 626	15 U.S.C. 1681v
Section 627	15 U.S.C. 1681w
Section 628	15 U.S.C. 1681x
Section 629	15 U.S.C. 1681y

ATTACHMENT H

SAMPLE REMEDYING THE EFFECTS OF IDENTITY THEFT

AAIM EA TRAINING AND CONSULTING LLC

1600 S. Brentwood Blvd.
Suite 400
St. Louis, MO 63144
Phone: 314-754-0236 / 888-325-5212
Fax: 314-968-9587

CONFIDENTIAL TO BE OPENED BY ADDRESSEE ONLY
FRED TEST
1234 MARKET STREET
SAINT LOUIS, MO 63101

Remedying the Effects of Identity Theft

Para informacion en espanol, visite www.consumerfinance.gov/learnmore o escribe a la Consumer Financial Protection Bureau, 1700 G Street N.W., Washington, DC 20552.

You are receiving this information because you have notified a consumer reporting agency that you believe that you are a victim of identity theft. Identity theft occurs when someone uses your name, Social Security number, date of birth, or other identifying information, without authority, to commit fraud. For example, someone may have committed identity theft by using your personal information to open a credit card account or get a loan in your name. For more information, visit www.consumerfinance.gov/learnmore or write to: Consumer Financial Protection Bureau, 1700 G Street N.W., Washington, DC 20552.

The Fair Credit Reporting Act (FCRA) gives you specific rights when you are, or believe that you are, the victim of identity theft. Here is a brief summary of the rights designed to help you recover from identity theft.

1. **You have the right to ask that nationwide consumer reporting agencies place "fraud alerts" in your file to let potential creditors and others know that you may be a victim of identity theft.** A fraud alert can make it more difficult for someone to get credit in your name because it tells creditors to follow certain procedures to protect you. It also may delay your ability to obtain credit. You may place a fraud alert in your file by calling just one of the three nationwide consumer reporting agencies. As soon as that agency processes your fraud alert, it will notify the other two, which then also must place fraud alerts in your file.

- Equifax: 1-800-685-1111; www.equifax.com
- Experian: 1-888-397-3742; www.experian.com
- TransUnion: 1-800-888-4213; www.transunion.com

An initial fraud alert stays in your file for at least 90 days. An extended alert stays in your file for seven years. To place either of these alerts, a consumer reporting agency will require you to provide appropriate proof of your identity, which may include your Social Security number. If you ask for an extended alert, you will have to provide an identity theft report. An identity theft report includes a copy of a report you have filed with a federal, state, or local law enforcement agency, and additional information a consumer reporting agency may require you to submit. For more detailed information about the identity theft report, visit www.consumerfinance.gov/learnmore.

2. **You have the right to free copies of the information in your file (your "file disclosure").** An initial fraud alert entitles you to a copy of all the information in your file at each of the three nationwide agencies, and an extended alert entitles you to two free file disclosures in a 12-month period following the placing of the alert. These additional disclosures may help you detect signs of fraud, for example, whether fraudulent accounts have been opened in your name or whether someone has reported a change in your address. Once a year, you also have the right to a free copy of the information in your file at any consumer reporting agency, if you believe it has inaccurate information due to fraud, such as

identity theft. You also have the ability to obtain additional free file disclosures under other provisions of the FCRA. See www.consumerfinance.gov/learnmore.

3. **You have the right to obtain documents relating to fraudulent transactions made or accounts opened using your personal information.** A creditor or other business must give you copies of applications and other business records relating to transactions and accounts that resulted from the theft of your identity, if you ask for them in writing. A business may ask you for proof of your identity, a police report, and an affidavit before giving you the documents. It may also specify an address for you to send your request. Under certain circumstances, a business can refuse to provide you with these documents. See www.consumerfinance.gov/learnmore.
4. **You have the right to obtain information from a debt collector.** If you ask, a debt collector must provide you with certain information about the debt you believe was incurred in your name by an identity thief - like the name of the creditor and the amount of the debt.
5. **If you believe information in your file results from identity theft, you have the right to ask that a consumer reporting agency block that information from your file.** An identity thief may run up bills in your name and not pay them. Information about the unpaid bills may appear on your consumer report. Should you decide to ask a consumer reporting agency to block the reporting of this information, you must identify the information to block, and provide the consumer reporting agency with proof of your identity and a copy of your *identity theft report*. The consumer reporting agency can refuse or cancel your request for a block if, for example, you don't provide the necessary documentation, or where the block results from an error or a material misrepresentation of fact made by you. If the agency declines or rescinds the block, it must notify you. Once a debt resulting from identity theft has been blocked, a person or business with notice of the block may not sell, transfer, or place the debt for collection.
6. **You also may prevent businesses from reporting information about you to consumer reporting agencies if you believe the information is a result of identity theft.** To do so, you must send your request to the address specified by the business that reports the information to the consumer reporting agency. The business will expect you to identify what information you do not want reported and to provide an *identity theft report*.

To learn more about identity theft and how to deal with its consequences, visit www.consumerfinance.gov/learnmore, or write to the Consumer Financial Protection Bureau. You may have additional rights under state law. For more information, contact your local consumer protection agency or your state Attorney General.

In addition to the new rights and procedures to help consumers deal with the effects of identity theft, the FCRA has many other important consumer protections. They are described in more detail at www.consumerfinance.gov/learnmore.

ATTACHMENT I

SAMPLE CONSUMER REPORT



Background Screening Report

AAIM EA TRAINING AND CONSULTING LLC
1600 S. Brentwood Blvd.
Suite 400
St. Louis, MO 63144
Phone: 314-754-0236 / 888-325-5212
Fax: 314-968-9587

FILE NUMBER 73738
REPORT TO ABC Company (115192)
999 1st Street
Suite 1150
St. Louis, MO 63144
Phone: -
Fax: -

REPORT DATE 10-01-2013
ORDER DATE 10-01-2013 Erin Miley
TYPE AAIM EA - 2010

Application Information

APPLICANT	TEST, FRED	SSN	XXX-XX-1111	DOB	01-01-XXXX
ADDRESS(ES)	1234 MARKET STREET	CITY / STATE / ZIP	SAINT LOUIS, MO 63101		

Investigative

State Criminal Records Search

RESULTS	No Reportable Records Found		
NAME SEARCHED	TEST, FRED	SEARCH DATE	10-01-2013 8:14 AM MDT
DOB SEARCHED	01-01-XXXX	SEARCH SCOPE	
JURISDICTION	ARIZONA		

CAUTION: Based on the information provided AAIM EA TRAINING AND CONSULTING LLC searched for public records in the sources referenced herein for criminal history information as permitted by federal and state law. 'No Reportable Records Found' means that our researchers could not locate a record that matched at least two personal identifiers (i.e., Name, SSN, Date of Birth, Address) for the subject in that jurisdiction. Further investigation into additional jurisdictions, or utilization of additional identifying information, may be warranted. Please call for assistance.

Disclaimer

This report is furnished to you pursuant to the Agreement for Service between the parties and in compliance with the Fair Credit Reporting Act. This report is furnished based upon your certification that you have a permissible purpose to obtain the report. The information contained herein was obtained in good faith from sources deemed reliable, but the completeness or accuracy is not guaranteed.

*** End Of Report ***
